

**EDGEWATER BEACH RESORT OWNERS' ASSOCIATION
BOARD OF TRUSTEES ZOOM MEETING MINUTES**

Tuesday, June 21, 2022

I. ROLL CALL/CALL TO ORDER

The Regular Meeting of the Board of Trustees was called to order by Marcia Svetkey at 2:30 p.m. The following persons were in attendance via Zoom:

Board of Trustees:

Marcia Svetkey, Chairperson

Dennis Ducharme, Secretary

Steve Castinetti, Trustee

Dottie Fulginiti, Trustee

Absent:

Tom Conners, Vice Chairperson/Treasurer

VRI Americas (VRI) and Resort Staff:

Michael McManus, Director of Resorts/VRI

John Verity, Resort General Manager

Guest:

Laura Brandow, Attorney

II. APPROVAL OF AGENDA

MOTION: Dennis Ducharme moved to approve the agenda as presented. Motion was seconded by Steve Castinetti and approved unanimously.

III. APPROVAL OF PREVIOUS MEETING MINUTES

MOTION: Steve Castinetti moved to approve the April 12, 2022 Meeting Minutes as presented. Motion was seconded by Dennis Ducharme and approved unanimously.

MOTION: Steve Castinetti moved to accept May 7, 2022 Annual Meeting Minutes as presented. Motion was seconded by Dennis Ducharme and approved unanimously.

IV. MANAGEMENT REPORTS

A. Resort Update

John Verity reported on the following items:

Maintenance Department:

- The maintenance team has been busy assembling new outdoor furniture and removing the old. The studios and ground floor units are complete. The second-floor furniture has been ordered with seat cushions.
- Continues to assist housekeeping whenever possible to turn rooms, remove trash and recycling as well as remove dirty laundry and help restock clean linens. The rental business and shorter stays have increased in 2022 creating more labor demand for each department.

- Winter room list repairs have continued. This list includes cleaning and maintenance of the in-room fireplaces, organizing the TV wiring above the fireplaces, hooks added in the bathrooms, air conditioning vents and filters cleaned and painted as needed, touch up paint, repair of leaky faucets, check and reprogram thermostats, light bulbs and door locks checked, install front door bottom sweeps for energy efficiency and less wear on the wood floors.
- Indoor pool to receive new filter system. The ADA handicap pool chair is also being repaired.
- Assisting Granite State to complete the Saturday punch lists as well as helping with the lobby and gym whenever crews are available.
- Restriping and painting curbs and sidewalks as well as the cement courtyard patios for entire property will begin next week.
- Extensive weed removal is ongoing.

Housekeeping Department:

- The Housekeeping Department is currently operating with Yennis, Housekeeping Manager; two supervisors, Yleana and Annira, six housekeepers and two housemen.
- Guest rooms were deep cleaned in May 2022.
- Creating and posting new inventory sheets in guest rooms as well as updating and replenishing kitchen and bath items to match.
- Hired summer staff consisting of five housekeepers, a maintenance person, activities person and a property services person.
- Masks are not mandatory for staff or guests and remain optional.
- COVID-19 rapid tests are onsite and utilized if needed.
- COVID-19 cleaning, safety, and sanitation protocols continue to be used.
- New linens have arrived for the summer season.

Front Desk Department:

- Taylor Ford continues to assist John and Albena in growing the rental occupancy and revenue.
- Front desk is operating with Taylor, Sean, Paulette, and Yoda.
- Coffee service continues daily at the front desk.
- Rentals reached a total of \$57,427 in May 2022 compared to \$36,858 in 2021.
- New credit card terminals were installed April 14, 2022.
- Numerous special assessment calls are being handled by staff and management and have collected approximately \$275,000 over the past two weeks.
- The Children's Activities Program began Monday, June 13, 2022.
- Yoga begins Wednesday, June 2, 2022 at 9:00 a.m.

Special Assessment Projects:

- Ocean Front - South Building air conditioner replacement is to be completed in July 2022.
- Purchase exterior furniture for each guest room in July 2022.
- Laundry equipment replacement is under review and proposed for August 2022.
- Currently soliciting proposals for the laundry room upgrade.
- The gym renovation is projected to be complete in July 2022.
- The gym air conditioner and heater installation was completed in May 2022.

B. Review of Action Items

Marcia Svetkey and Michael McManus reviewed the action items. One item was revised, and completed items were removed from the list.

C. Owner Communications

Michael McManus reported that interval owner, John Rea, has hired Attorney Thomas Doherty III to transfer ownership to a prospective buyer.

V. FINANCIAL REPORT

A. Financials

Michael McManus reviewed the financial statements as of month-end April 30, 2022. Included in the review were the Cash Balances Report, Accounts Receivable Summary, Balance Sheet, Comparative Income Statement and Cash Flow Analysis.

Michael reported that 69.5% of the homeowners paid their 2022 maintenance fee bills. Michael reviewed the April 2022 Cash Flow Report which projected a shortfall of the Operating cash balance at \$63,607 by the end of June 2022.

The Special Assessment was billed in late May 2022 and owners have been sending in payments. General Manager, John Verity, reported that his team has been answering questions from owners and taking payments telephonically. John reported that as of June 15, 2022 over \$1,240,000 was received.

B. Variance Report

John Verity and Michael McManus distributed and reviewed a new format of the April 2022 Variance Report dated June 20, 2022. John asked the Board to email him with any questions.

C. Collections

Michael McManus distributed and reviewed an Accounts Receivable Report dated April 30, 2022 noting that 69.5% of the total billable intervals for 2022 have been collected.

D. SeaWinds II

John Verity reported that SeaWinds II has met their financial obligations as of May 31, 2022.

VI. OLD BUSINESS

A. Edgewater Beach Resort North

Attorney Laura Brandow joined the meeting at 3:03 p.m.

The Board reviewed a proposal with legal counsel from Lemonjuice and a proposal from The MVP Services LLC.

MOTION: Dottie Fulginiti moved to authorize Marcia Svetkey, Dennis Ducharme, John Verity, Michael McManus and the resort's Attorney, Laura Brandow, to meet with Scott McGregor from Lemonjuice along with their Attorney, Richard Winkler, to review proposed contract terms in question and report back to the Board with a revised contract proposal for consideration at the next Board meeting in August 2022. Motion was seconded by Steve Castinetti and approved unanimously.

VII. LEGAL COUNSEL

A. NERM Update

Michael McManus reported that Attorney Brandow is working with NERM's Attorney, Gary Blank, in order to move forward with a Deed in Lieu of foreclosure. Marcia Svetkey stressed the importance of setting deadlines for such action and following up or proceeding with the original plan to foreclose on NERM.

B. Insurance Claim

Marcia Svetkey reported that the claim against the broker remains open and no action is necessary at this point.

VIII. NEW BUSINESS

A. Open Discussion

Marcia noted that work will begin on the Summer Newsletter soon and requested any recommendations for articles or areas of interest to be included.

IX. NEXT MEETING DATES

Future Meetings are scheduled as follows:

Tuesday, August 9, 2022 at 2:30 p.m. – Budget/Board Meeting, via Zoom
Tuesday, October 11, 2022 at 2:30 p.m. – Board Meeting, via Zoom
Tuesday, December 13, 2022 at 2:30 p.m. – Board Meeting, via Zoom

X. ADJOURNMENT

MOTION: There being no further business, Dennis Ducharme moved to adjourn the meeting at 4:14 p.m. Motion was seconded by Steve Castinetti and approved unanimously.

Dennis Ducharme, Secretary

Date

MJM/nb

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